



# Advocacy & Accountability

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MWRA Advisory Board Summary  
of the  
MWRA Board of Directors Meeting  
Wednesday, March 21, 2018

A meeting of the Board of Directors of the Massachusetts Water Resources Authority was held on Wednesday, March 21, 2018, at the Charlestown Navy Yard. Present: Secretary Beaton and Brian Peña, Gubernatorial Appointees; John Carroll, Andrew Pappastergion, and Joseph Foti, MWRA Advisory Board Representatives; Henry Vitale, Kevin L. Cotter, and Austin Blackmon, City of Boston Representatives; John J. Walsh, City of Quincy Representative; and Paul Flanagan, Town of Winthrop Representative. Absent: Jennifer Wolowicz, Gubernatorial Appointee.

## **Report of the Chair**

The Chairman called the meeting to order at 1:12 pm. The minutes from the February 21 meeting were approved; see Approvals, below. The Chairman also reported that the Governor announced, last week, the environmental bond bill funded at \$1.4 billion. It has a host of policy issues in it, most importantly reauthorization of a number accounts that affect EEA, MWRA, and an additional request for appropriation of additional funds for SRF money (in conjunction with the Treasurer's office). There are a number of climate-related issues (climate resiliency and adaptation and deferred maintenance, with regard to Executive Order 569, signed by the Governor in 2016. Referred to was the Municipal Vulnerability Preparedness Program (MVP program), including preparedness, technical assistance, financial resources, trained consultants, and even a new interactive web portal to view vulnerable resources (reflecting updated climate projections).

He also referred to work with the communities, and, in particular with the City of Boston (which he termed was in a "league of its own,") and the work with Austin Blackmon and with Climate Ready Boston. He emphasized the work that has been going on in the City and efforts to work with other municipalities. He also commented on other efforts, and expressed the importance of recognizing the frequency and intensity of storms and rainfall amounts as well as the importance of Deer Island and its location and the relevance of sea level rise, and the importance to the MWRA of investing in the future. There will be a lot more to come in that. The Chairman also noted efforts to focus on establishing a partnership among the 74 coastal communities and understand vulnerable places and the vulnerable assets, and how to start planning and investing in the future and how to have that inform decision making across state government. The effort this fiscal year is to get as many municipalities to participate and to plan what the work is and to plan for the future.

## **Report of the Executive Director**

Mr. Laskey recognized Bonnie Hale, Secretary to the Board of Directors, for her years of service, as she retired from the MWRA. In appreciation of her years of service, he presented her with a glass vase. The Chairman also presented a Citation from the Governor in recognition of her 32 years of service to the Board of Directors.

Mr. Laskey also described the impacts of the recent damaging weather events, and the need to rethink how to be prepared for flooding and other wet weather events. He presented the recent weather events and efforts to address the storm impacts, including images of a number of Harbor Islands and the impacts from the storm(s) as well as other images in the city, Chelsea, Winthrop, Deer Island, as well as Nut Island (and the difficulty of getting to the MWRA facilities). (See presentation “March Nor’easters: Storm Damage to Boston Harbor Islands.”)

## **Approvals**

### **Approval of Minutes**

The Board voted to approve the minutes of the meeting of February 21, 2018 (as presented and filed with the records of the meeting).

### **[Memorandum of Agreement between MWRA and the Dedham/Westwood Water District – Contract 7505, Southern Extra High Pipeline Section 111](#)**

The Board voted to authorize the Executive Director, on behalf of the Authority, to execute a Memorandum of Agreement with the Dedham/Westwood Water District, substantially in the form presented and filed with the records of the meeting, related to reimbursement to the Authority for construction costs associated with the installation of a Dedham/Westwood Water District 12-inch diameter water main.

Staff described the Southern Extra High service area and the communities served by the transmission pipes in the area. Correction of the deficiency in transmission in this service area has been assigned a Priority One in the MWRA’s Water Master Plan. Over the last several years, staff have presented an evaluation of alternatives and a recommendation to the Board, hired a design contractor (Stantec) and developed an approach to the Southern Extra High Redundancy Section 111 Project with three construction contracts.

Because the Dedham/Westwood Water District has also planned to install a local line to improve the hydraulic capacity of its system, the District has requested that MWRA include a local water main in the Authority’s construction contract 7505 (one of the three contracts mentioned above). The local District would reimburse MWRA for the added construction cost, currently estimated at \$540,000. Actual costs will be determined after construction bid award. The District will be responsible for 100 percent of the contractor cost and for police detail services for this portion of the project.

### **PCR Amendments – March 2018**

The Board voted to approve amendments to the Position Control Register, as presented and filed with the records of the meeting.

Recommended was an amendment to the Position Control Record to reflect an organizational change in the Operations Division to create a new position of Director of Tunnel Redundancy Program. The proposed position has been reviewed by the Personnel and Compensation Committee. Mr. Laskey noted that the position reflects a very complex job and requires a lot of skill. There will be a new unit in the Operations Division to focus on the Metropolitan Tunnel Redundancy Program, a significant MWRA priority. The unit will be modeled after the Program Management Division (PMD) used for the Boston Harbor Project, and recommended by the Advisory Board as part of their annual Comments and Recommendations. It will be one of five positions that are budgeted in the proposed FY 2019 Current Expense Budget. Those five positions will be in addition to the 1,150 position level (assuming a “steady state”) that had been recommended several years ago in the Staffing Study.

Staff hope to be able to move forward with a recommendation of a candidate at the April meeting of the Board of Directors.

#### **Appointment of Proxy for the Fore River Railroad Corporation**

The Board voted that the MWRA Board of Directors, as holder of all voting rights of all the issued and outstanding shares of stock of the Fore River Railroad Corporation, vote to appoint Kathy Soni, with the power of substitution, to vote as proxy at the next annual meeting and any special meeting of the stockholders for the Fore River Railroad Corporation in accordance with the form of proxy presented and filed with the records of this meeting. In addition, the MWRA Board of Directors directs the proxy to elect the following board members: David W. Coppes, Thomas J. Durkin, Godfrey O. Ezeigwe, Michele S. Gillen, Lisa R. Grollman, Frederick A. Laskey, Brian Peña, Steven A. Remsberg, John P. Vetere, and John J. Walsh.

In 1987, MWRA purchased the Fore River Staging Area from General Dynamics. Included in the sale as the purchase of the Fore River Railroad Corporation (FRRC). Pursuant to the by-laws of the FRCC, an annual meeting of the shareholders must be held in the first quarter of the calendar year to elect the Board of Directors. MWRA is the sole stockholder of the Fore River Railroad Corporation.

#### **Adoption of the Seventy-Eighth Supplemental Resolution**

The Board voted to adopt the Seventy-Eighth Supplemental Resolution authorizing the issuance of up to \$150,000,000 of Massachusetts Water Resources Authority General Revenue Bonds and Massachusetts Water Resources Authority General Revenue Refunding Bonds and the supporting Issuance Resolution.

The bonds to be issued under this authorization include \$125.0 million in new money and \$25.0 million in refunding bonds.

(See Staff Summary in the packet of meeting materials.)

#### **Amendments to Capital Finance Management Policy**

The Board voted to adopt amendments to the Capital Finance Management Policy, substantially in the form presented and filed with the records of the meeting, in compliance with the State Finance and Governance Board’s regulations (976 CMR 2.04).

The amendments are in response to new regulations of the State Finance and Governance Board that the policy, when revised, be provided to the Board in the event that substantial revisions are made. The majority of the updates are related to new requirements related to restrictions placed on swap counterparties and swap advisors under the Dodd-Frank Wall Street reform and Consumer Protection Act. While there are currently no plans to issue new swaps, the regulations limit communications associated with existing swap agreements. The regulations allow for communications between issuers and swap counter parties if the issuer has a swap advisor and written swap procedures. These amendments to the swap policy will meet the requirements of the regulations.

### **Electronic Document Management System**

The Board voted to authorize staff to proceed with the procurement of an electronic document management system.

Staff described the proposal, saying that it would replace the current records management system (InfoStar) and would allow for the electronic storage of future documents. Staff is recommending that a competitive best value procurement process be undertaken to purchase and implement a document content management application to satisfy both e-Construction and records management. The scope of work for the procurement will include the software, installation, configuration, testing, and training. Staff will return to the Board for award of a document content management contract.

[\(See power point slide of the components of the content management plan.\)](#)

### **Contract Awards**

#### **Northern Intermediate High Section 89 Replacement Pipeline Preliminary/Final Design & ESDC: Stantec Consulting Services Inc., Contract 7116**

The Board voted to approve the recommendation of the Consultant Selection Committee to select Stantec Consulting Services Inc. to provide Section 89 Replacement Project, Design and Engineering Services During Construction, and to authorize the Executive Director, on behalf of the Authority, to execute and deliver Contract 7116 with Stantec Consulting Services Inc., in an amount not to exceed \$3,948,025, for a term of fifty-seven months from the Notice to Proceed.

Staff described the Northern Intermediate High (NIH) service area, which includes six communities served through a single 48-inch pipeline. Although some of these six communities are partially served by the MWRA, the loss of this single transmission main would result in a rapid loss of service in three of the communities and potential water restrictions in the other three communities. (See the Staff Summary in the packet of meeting materials.) Staff described the procurement process in which the Authority received proposals from seven firms. While Stantec was ranked highest by the Selection Committee, the firm's proposed level of effort was lower and proposed contract cost was higher than the Engineer's Estimate.

Staff reported that the recommended firm, Stantec, was ranked either first or second by all Selection Committee members and received the highest number of points in three out of five evaluation categories

(cost, qualifications/key personnel and technical approach). The Selection Committee was in agreement that Stantec's proposal was excellent and included an appropriate level of effort and distribution of work, as well as key personnel with excellent qualifications and experience, a very strong technical approach.

### **Metropolitan Operations Paving: Sunshine Paving Corporation, Contract OP-354**

The Board voted to approve the award of Contract OP-354, Metropolitan Operations Paving, to the lowest responsible and eligible bidder, Sunshine Paving Corporation, and to authorize the Executive Director, on behalf of the Authority, to execute and deliver Contract OP-354 in the bid amount of \$1,277,568.50 for a term of 970 days from the Notice to Proceed.

The contract is a replacement paving services contract to provide permanent paving on an as-needed basis at locations where roadways have been excavated and temporarily patched due to maintenance, repair, or new construction work performed by MWRA staff.

## **Contract Amendments/Change Orders**

### **Amendment and Assumption of Contract OP-337, Purchase and Supply of Electric Power for MWRA Profile Accounts, from TransCanada Power Marketing Ltd. To EDF Energy Services, LLC, and Amendment 1**

The Board voted to approve the assignment and assumption of Contract OP-337 from TransCanada Power Marketing Ltd. To EDF Energy Services, LLC and, further, to authorize the Executive Director, on behalf of the Authority, to approve Amendment 1 to Contract OP-337, incorporating a financial guarantee from its parent company, EDF Trading Limited, as part of the terms and conditions of the contract, with no increase in contract price or term.

On March 1, 2018, EDF Energy Services, LLC completed a transaction to acquire the Profile Accounts from TransCanada. Pursuant to this transaction, TransCanada will transfer and assign all of its rights, title, benefits and interests in Contract OP-337 to EDF Energy Services. MWRA's written consent to assign the contract is required by the terms of the supply contract.

## **Information**

### **Local Water System Assistance Program Annual Update**

Staff provided an annual update of the MWRA's Local Water Assistance Program, which provides financial assistance to member communities to improve local water systems to help maintain high water quality as the water passes from the Authority's facilities through local pipelines to customers' taps. The Update describes the participation and the phases of projects carried out by 42 of the 45 eligible member water communities in the \$724 million Program.

(See Staff Summary.)

### **[Update on Lead and Copper – Local and National Activities](#)**

Staff reported that modern lead control efforts have been underway for years, and while lead levels have decreased substantially since 1992, the goal is still to get the levels closer to zero. The Authority provides funding to communities to support these efforts including the lead service line replacement program. The agency continues to work with MWRA communities on testing school fixtures used for drinking and cooking. Staff also conducted a second regional forum for local water department staff on lead issues last June, including regulatory updates, current scientific findings, results of school testing, and updates on lead service line replacement programs.

(See the Staff Summary in the meeting packet.)

### **Delegated Authority Report**

Authority staff provided a presentation on the agency's equipment and automotive fleet (a request that had been made at the February meeting of the Board of Directors). Staff described the equipment and vehicles that make up the fleet, and how the fleet is managed. A vehicle committee consisting of staff from Operations, Procurement, Budget, and Fleet Services meets regularly to review the status of the fleet, vehicle replacement requirements, and to make recommendations to the committee co-chairs (the COO and Director of Administration) as to which vehicles to replace with new purchases. A competitive procurement is undertaken to purchase new vehicles.

([See power point presentation on the components the fleet and other highlights](#); see Staff Summary for additional Delegated Authority items.)

### **FY2018 Financial Update and Summary as of February 2018**

The year-to-date variance for the Current Expense Budget totals \$4.3 million reflecting spending of \$466.2 million as compared to the \$470.5 budgeted for the eight-month period, or 0.9% below the budget. Total year-to-date variance for the FY18 Capital Improvement Program and Budget is \$6.9 million or \$6.5% over the budgeted amount of \$107.2 million. The amount reflects primarily timing assumptions for the pace of spending or community program distributions for the period.

(See the Staff Summary included in the package of meeting materials.)

### **Update on Deer Island Storm Impacts**

Staff reported on the impacts at Deer Island of recent storm events. On March 14, at 8:37 am, the Eversource system experienced a regional power outage that knocked the Deer Island treatment plant completely off line. Staff described how the plant was brought slowly back into service. Plant flow was at about 500 mgd, and went to 0 mgd. (The total plant capacity is 1,200 mgd.) The Operations Control Center at Chelsea operated well – there were no SSOs or CSOs anywhere in the system. At 9:34 am, there was a complete loss of control of the PICS system, and additional staff had to be deployed to all the facilities. PIC operations were restored to operation by 10:35 am. By 11:07 am, there was a by-pass of the secondary treatment process, creating a “reportable event” and a written report to be sent to the EPA (within five days). Less than 2% of total plant flow was blended or bypassed. By 7 pm operations were completely back to normal with reconnection to utility power. All NPDES permit numerical standards were met.

Some of the issues that staff plan on assessing going forward are operation of the back-up CTG generators. Other areas to reviewed are staff training recommendations, management authorizations for setting certain controls.

(See the power point presentation on [“Deer Island Power Outage: March 14, 2018.”](#))

### **Infiltration/Inflow Local Financial Assistance Program Annual Update**

MWRA's Infiltration/Inflow Local Financial Assistance Program was initiated in May 1993 to provide funding to member sewer communities to perform I/I reduction and sewer system rehabilitation projects within their collection systems. The program's goal is to assist member communities in improving local sewer system conditions to reduce I/I and ensure ongoing repair and replacement of the collection system.

(See Staff Summary and [Power Point presentation.](#))

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*This summary does not include every item discussed by the Board, nor the full extent of the discussions. Please contact the Advisory Board office with questions, comments or requests for more information.*